Appl. No. 09/488,390
Amdt. dated October 15, 2003
Reply to Office Action of July 16, 2003

REMARKS:

Correspondence address:

A new power of attorney & correspondence address (to the address at customer number 29767 — i.e., 10401 Fox Hollow, San Antonio, TX 78217) was filed with Applicants' May 11, 2003, response to the restriction requirement. Nevertheless, the Examiner's July 16, 2003, Office Action was mailed to the old correspondence address. Please update the PTO's records to reflect the new correspondence address.

Status of claims:

Applicants thank the Examiner for withdrawing the restriction requirement.

In the Examiner's Office Action dated July 16, 2003, claims 5 and 13-16 were rejected under 35 U.S.C. 112, ¶ 2.

Claims 1, 8, 9, and 11 were rejected under 35 U.S.C. § 102(b) as being anticipated by U.S. Patent No. 4,858,000 to **Lu**. Furthermore, claims 7 and 10 were rejected under 35 U.S.C. § 103(a) as being unpatentable over **Lu**.

Claims 2-6 and 12 were rejected under 35 U.S.C. § 103(a) as being unpatentable over **Lu** in view of U.S. Patent No. 5,314,336 to **Diamond et al.** Claims 13-16 were rejected over **Lu** in view of **Diamond et al.** and in further view of U.S. Patent No. 5,281,143 to **Arad et al.**

Section 112 rejections

The Examiner rejected claim 5 on the basis that the term "space defined by said doll" was indefinite. While Applicants do not agree that the term was indefinite, Applicants appreciate the rejection anyway. Previously, claim 5 was unnecessarily pedantic. Applicants have amended the claim to succinctly recite that the processor "is mounted inside said doll," which is what the claim meant all along.

The Examiner also rejected claims 13-15 for prolific use of the term "signal." Applicants have amended claims 13-15 to recite a "facial expression recognition" signal. Applicants have further amended claim 12 to recite that the signal therein recited is a "facial image recognition" signal. For the record, Applicants intend for the term "facial image recognition signal" in claim 12 to broadly refer to a signal indicative of a particular person (e.g., boy, girl, John, Mary), a particular expression (e.g., happy, sad, mad), *or* a combination of both (e.g., happy boy, sad Mary). Applicants intend for the term "facial expression signal" in claims 13-15 to refer to a signal indicative, at least, of a particular facial expression.

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Prior-art based rejections of claims 1-11

Applicants have amended claims 1 and 11 to clarify that the claimed entertainment device provides entertaining interaction in response to the output signal indicative of recognition. Applicants respectfully submit that these amendments overcome the rejection of claims 1-11.

Lu is a facial-image recognition-based *surveying* system intended to help interested persons "determine[e] the viewing habits of the public" (e.g., for the purpose of providing Nielsen™ ratings) without depending on survey respondents to accurately and completely record the programs they watch. Col. 1, lines 22-26; col. 2, lines 6-9. **Lu** discloses a facial image recognition system 10 for scanning and capturing an image of television viewing audience members within a monitored area. Col. 3, lines 26-30. When Lu's system 10 recognizes an individual, an output signal is provided that "can be stored together with other parameter data of a television data collection system, such as channel reception of a monitored receiver." Col. 7, line 68 – col. 8, line 6.

Lu does not, however, disclose providing any entertaining interaction in response to the output signal indicative of recognition. The output of the television does not depend in any way upon the output signal generated by the image recognition system. Because claims 1 and 11 now recite that the entertainment device provides entertaining interaction in response to the output signal indicative of recognition, Applicants respectfully request withdrawal of the rejection of claims 1-11.

Prior-art based rejections of claims 12-16

Applicants respectfully traverse the § 103 rejections of claims 12-16. The Examiner admitted that **Lu** does not disclose a "toy," as claimed. But the Examiner surmised that it would have been obvious to one ordinary skilled in the art at the time of the invention to combine the recognition system of **Lu's** TV-program-viewership-survey system with the teaching of **Diamond et al.**

"When an obviousness determination is based on multiple prior art references, there must be a showing of some 'teaching, suggestion, or reason' to combine the references." *Winner Int'l Royalty Corp. v. Wang*, 202 F.3d 1340, 1348 (Fed. Cir. 2000). Indeed, "a showing of a suggestion, teaching, or motivation to combine the prior art references is an 'essential evidentiary component of an obviousness holding.'" *Brown & Williamson Tobacco Corp. v. Philip Morris, Inc.*, 56 U.S.P.Q.2d 1456, 1459 (Fed. Cir. 2000). Moreover, "[t]his showing must be clear and particular . . . ." *Id.*

Significantly, "[t]he absence of such a suggestion to combine is dispositive in an obviousness determination." *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573, 1578-79 (Fed. Cir. 1997) (emphasis added). The Federal Circuit has repeatedly demanded a "rigorous application of the requirement for a showing of the teaching or motivation to combine prior art references" as an antidote to "the subtle but powerful

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attraction of a hindsight-based obviousness analysis." *In re Dembiczak*, 175 F.3d 994, 999 (Fed. Cir. 1999). "Actual evidence" of a suggestion, teaching, or motivation to combine is required. *Id.* "Broad conclusory statements regarding the teaching of multiple references, standing alone, are not 'evidence.'" *Id.*

Applicants respectfully submit that there is no motivation, suggestion, or teaching to combine **Lu** with **Diamond et al.** **Lu** is directed to providing a "system for determining the viewing habits of the public." Col. 2, lines 5-10. FIG. 2 depicts a nondescript TV-set top box to house the audience scanner system. In describing FIG. 2, **Lu** does not suggest that the audience scanner be instead housed inside a toy. Col. 3, line 61 – col. 4, line 8. Indeed, one is hard pressed to imagine any conceivable motivation for doing so.

If anything, the disparate and unrelated purposes for which **Lu** and **Diamond et al.** are intended *teaches away* from an incorporation of **Lu**'s facial recognition system into a doll. **Lu**'s audience scanner system is an object for collecting data. Its purpose is simply to gather commercially valuable data for the benefit of networks, producers, and advertisers. **Diamond et al.** discloses a doll – an object for children to play with. Its purpose is to entertain children. **Diamond et al.** does not suggest that the doll should be used to collect information (such as TV watching habits) about the child for the use of networks, producers, advertisers, or other commercial interests. In any event, to house **Lu**'s audience scanner system within a doll would make it more likely to get jostled, moved and/or placed somewhere where it could no longer function for its intended purpose.

It is well established that if a proposed modification would render the prior art invention being modified unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification. See MPEP § 2143.01 ("The Proposed Modification Cannot Render the Prior Art Unsatisfactory for its Intended Purpose"). Moreover, if the proposed modification or combination of the prior art would change the principle of operation of the prior art invention being modified, then the teachings of the references are not sufficient to render the claims prima facie obvious. See MPEP § 2143.01 ("The Proposed Modification Cannot Change the Principle of Operation of a Reference."). The combination of **Lu** with **Diamond et al.** would clearly do both.

There is also no evidence of any prior teaching, suggestion, or motivation, to modify **Diamond et al.** or any other toy to incorporate a facial-image-recognition system designed for providing security or collecting data for commercial use into a toy or a doll. **Diamond et al.** describes a toy that can recognize specially marked objects, such as cards, with "coded optical messages" (see claims), such as a barcode 27. **Diamond et al.** uses an optically based barcode scanner system much like the laser scanner used in a supermarket checkout isle. *See* FIGS. 3A, 3B, 3C; col. 1, lines 44-68. While the specially marked objects may have a pictorial representation 29 or text 25 that a child would recognize, it is readily apparent from FIGS. 3A, 3B and 3C that the doll simply

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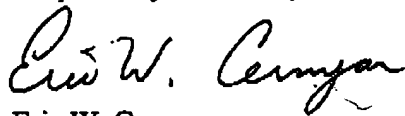Reply to Office Action of July 16, 2003

reads the "coded optical message," that is, the barcode. **Diamond et al.'s** optical-recognition system, which relies on a simple look-up table 55 (FIG. 5), is not equivalent to or suggestive of a facial image recognition system that performs a much more sophisticated image recognition step.

In view of the foregoing, Applicants respectfully ask the Examiner to withdraw the rejections of claims 12-16.

Conclusion

Believing that all things raised in the Examiner's July 16, 2003, Office Action have been addressed, the undersigned respectfully requests that the application be allowed and passed to issue.

Respectfully submitted,

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